Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 42.0177, Parks and Wildlife Code, is amended to read as follows:

Sec. 42.0177. BIRD OR ANIMAL CARCASSES [TAGS]: COMMISSION RULES. The commission by rule may modify or eliminate the tagging, carcass, final destination, or final processing requirements or provisions of Section 42.001, 42.018, 42.0185, 42.019, or 42.020, or other similar [tagging] requirements or provisions in this chapter.

SECTION 2. This Act takes effect September 1, 2017.

Passed the Senate on April 19, 2017: Yeas 31, Nays 0; passed the House on May 19, 2017: Yeas 137, Nays 7, one present not voting.

Approved May 27, 2017.

Effective September 1, 2017.

## PERIODIC RATE ADJUSTMENT BY AND TO CERTAIN TRANSACTIONS INVOLVING ELECTRIC UTILITIES

## **CHAPTER 200**

S.B. No. 735

## AN ACT

relating to periodic rate adjustment by and to certain transactions involving electric utilities.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subchapter D, Chapter 36, Utilities Code, is amended by adding Section 36.157 to read as follows:

Sec. 36.157. RATE REVIEW SCHEDULE. (a) This section applies only to an electric utility, other than a river authority, that operates solely inside ERCOT.

- (b) Notwithstanding any other provision of this title, not later than June 1, 2018, the commission by rule shall establish a schedule that requires an electric utility to make periodic filings with the commission to modify or review base rates charged by the electric utility. The schedule may be established on the basis of:
  - (1) the period since the commission entered the commission's final order in the electric utility's most recent base rate proceeding;
  - (2) whether the electric utility has earned materially more than the utility's authorized rate of return on equity as demonstrated by earnings monitoring reports; or
    - (3) other criteria that the commission determines is in the public interest.
- (c) The commission shall extend the date for the proceeding required by Subsection (b) by one year on a year-to-year basis if, 180 days before the date the proceeding is required, the electric utility's most recent earnings monitoring report shows the electric utility is earning, on a weather-normalized basis, less than 50 basis points above:
  - (1) for a transmission and distribution utility, the average of the most recent commission-approved rate of return on equity for each transmission and distribution utility with 175,000 or more metered customers; and
  - (2) for a transmission-only utility, the average of the most recent commission-approved rate of return on equity for each transmission-only utility.
- (d) The commission may extend the date for the proceeding required by Subsection (b) for good cause shown or because of resource constraints of the commission.
- (e) This section does not limit the ability of a regulatory authority to initiate a base rate proceeding at any time under this title.
- SECTION 2. Section 36.210, Utilities Code, is amended by amending Subsection (d) and adding Subsection (d-1) to read as follows:

- (d) Except as provided by Subsection (d-1), an [An] electric utility may adjust the utility's rates under this section not more than once per year and not more than four times between comprehensive base rate proceedings.
- (d-1) For an electric utility subject to Section 36.157, beginning on the effective date of the schedule adopted by the commission under Section 36.157(b), the electric utility may adjust the utility's rates under this section more than four times between base rate proceedings.

SECTION 3. Section 39.262(m), Utilities Code, is amended to read as follows:

(m) The commission shall approve a transaction under Subsection (l) if the commission finds that the transaction is in the public interest. In making its determination, the commission shall consider whether the transaction will adversely affect the reliability of service, availability of service, or cost of service of the electric utility or transmission and distribution utility. The commission shall make the determination concerning a transaction under this subsection not later than the 180th day after the date the commission receives the relevant report. The commission may extend the deadline provided by this subsection for not more than 60 days if the commission determines the extension is needed to evaluate additional information, to consider actions taken by other jurisdictions concerning the transaction, to provide for administrative efficiency, or for other good cause. If the commission has not made a determination before the expiration of the deadline provided by or extended under this subsection [181st day after that date], the transaction is considered approved.

SECTION 4. Section 39.915(b), Utilities Code, is amended to read as follows:

(b) The commission shall approve a transaction under Subsection (a) if the commission finds that the transaction is in the public interest. In making its determination, the commission shall consider whether the transaction will adversely affect the reliability of service, availability of service, or cost of service of the electric utility or transmission and distribution utility. The commission shall make the determination concerning a transaction under this subsection not later than the 180th day after the date the commission receives the relevant report. The commission may extend the deadline provided by this subsection for not more than 60 days if the commission determines the extension is needed to evaluate additional information, to consider actions taken by other jurisdictions concerning the transaction, to provide for administrative efficiency, or for other good cause. If the commission has not made a determination before the expiration of the deadline provided by or extended under this subsection [181st day after that date], the transaction is considered approved.

SECTION 5. Sections 36.210(h), (h-1), and (i), Utilities Code, are repealed.

SECTION 6. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

Passed the Senate on April 19, 2017: Yeas 31, Nays 0; passed the House on May 17, 2017: Yeas 142, Nays 1, two present not voting.

Approved May 27, 2017.

Effective May 27, 2017.

## OVERSEAS MILITARY E-MAIL BALLOT PROGRAM CHAPTER 201

S.B. No. 752

AN ACT

relating to the overseas military e-mail ballot program.